

hearing, shall promptly amend the City Subdivision Control Ordinance to require the installation of storm water retention and disposal systems prior to the development of any property outside of the District which is located in the Waubensee Creek or Indian Creek watersheds and over which the City has jurisdiction under its Subdivision Control Ordinance, which systems shall be required to meet performance standards no lower than the performance standards provided for the District in Subsection V C. of the Plan Description.

7. City Comprehensive Plan. Upon annexation of the Territory to the City, the developers of the District shall assign members of their planning staffs and the planning staffs of their independent planning consultants to work with the City's Planning Department and other representatives of the City in the preparation of amendments to the City's Comprehensive Plan which will be applicable to areas of DuPage and Kane Counties adjacent to, affected by or likely to be affected by the development of the District. The City agrees that all reasonable efforts will be made to cause such amendments to the City Comprehensive Plan to be consistent and compatible with the provisions of this Agreement and the Plan Description describing highways and roads (Section V hereof and Subsection V D. of the Plan Description) and to other applicable provisions of this Agreement and the Plan Description. At any time or from time to time the developers of each Region of the District will give serious and good

faith consideration to changes in portions of the then current land use plan (as such term is used in Subsection V I. of the Plan Description) applicable to areas in the District not then covered by a General Development Plan or a Preliminary Plan which shall have been submitted to the City designed to make such portions of such land use plan consistent and compatible with such Comprehensive Plan as developed in such joint planning effort by planning representatives of the developers of the District and the City and as finally approved and adopted by the City; provided that (i) where the terms of the Plan Description require any such changes in said land use plan to be approved by the City, changes designed to make such land use plan consistent and compatible with such Comprehensive Plan shall be subject to the City's approval; (ii) any such changes in such land use plan shall be subject to the approval of the developers of the Region of the District in which such change occurs, which approval shall not be unreasonably withheld; and (iii) any such changes shall be subject to the provisions of any deed of conveyance or other document theretofore deposited with the Department of City Planning pursuant to Subsection V M. of the Plan Description.

8. Home Rule Powers. The City agrees to adopt such ordinances as may be necessary or appropriate to effectuate the use of its home rule powers as provided for

in Section 6 of Article VII of the Constitution of the State of Illinois, including, but not by way of limitation, such amendments to the Local Improvement Act as may be required in order for the City to carry out its obligations to construct local public improvements as herein provided. The City further agrees to amend its appropriation ordinance (Section 2-21 of the Code of Ordinances of the City) to provide that any limitation therein or in Article 8-2-9 of Chapter 24, Illinois Revised Statutes (1971) shall not be applicable to this Agreement.

9. Special Assessment and Taxation. Except as specifically provided for in this Agreement, the City may not levy against any real estate or personal property within the District any special assessment or special taxation for the cost of any improvements in or for the benefit of the District which are to be constructed or provided pursuant to the terms of this Agreement. During the first ten (10) years after the annexation of the Territory to the City, the City shall not, without the prior consent of the record owners of any property in the District so affected, (i) make any local improvements in or for the benefit of the District which are not provided to be constructed pursuant to the terms of this Agreement by special assessments, or special taxation, including, without limitation, the exercise of such special assessment or special taxation power jointly with other home rule jurisdictions, counties or municipalities, (ii) levy or impose any additional differential taxes upon the District

or (iii) levy or impose additional taxes upon the District, in the manner provided by law for the provision of special services to the District or an area in which the District is located or for the payment of debt incurred in order to provide such special services, including specifically, but not by way of limitation, the creation of "Special Service Areas" or the levy of differential taxes with respect to or in the District pursuant to Section 6(1) of Article VII of the Constitution of the State of Illinois; provided, that nothing in this Subsection 9 shall prevent the City from levying or imposing additional taxes upon the District in the manner provided by law for the provision of special services to the entire City which additional taxes are equally applicable to all other areas in the City, or from levying or imposing additional taxes upon the District which are not equally applicable to all other areas of the City if the levying or imposition of such additional taxes is required by state or federal law.

10. Ordinances. The City shall from time to time enact such ordinances, or amend such ordinances, including appropriation ordinances, as may be necessary to carry out and enable the City to carry out the agreements contained herein.

11. Alcoholic Beverage Licenses.

(a) After annexation of the Territory to the City and the adoption of any ordinance amend-

ments or modifications required pursuant to Subsection (b) below, and subject to and without limiting or restricting the power and obligation of the City and the City's Local Liquor Control Commissioner to protect the public health, safety and welfare or the City's and such Commissioner's discretionary powers with respect to the issuance of alcoholic beverage licenses and permits, (i) the City shall issue or cause its Local Liquor Control Commissioner to issue to applicants for use within the District, licenses and permits to sell, distribute and serve alcoholic beverages within the District, which licenses and permits shall be issued in a manner consistent with the standards of the City and of such Commissioner for the granting of such licenses, on a basis which shall be nondiscriminatory with respect to applicants from the District, and in numbers and on terms not less favorable than the numbers in which and the terms on which such licenses and permits are issued to applicants in other areas of the City, taking into account the population of the District and potential trade in, and the character of various development areas of, the District; and (ii) the City shall also issue or cause its Local Liquor Control Commissioner to issue to each applicant in the District engaged in a substantial business enterprise, the principal business of which is not the sale of alcoholic

beverages, which enterprise requires an alcoholic beverage license or permit in connection with the conduct of its business, alcoholic beverage licenses or permits of the type or types required by such applicant; provided the applicants described in (i) and (ii) above shall have complied with and be qualified under all applicable ordinances and statutes to hold an alcoholic beverage license, and further provided that no license shall be issued or be valid for a period longer than that permitted under applicable ordinances and statutes. Such alcoholic beverage licenses shall be renewed by the City or the City's Local Liquor Control Commissioner, in its or his discretion, such discretion to be exercised in a manner consistent with the standards of the City and of such Commissioner for the granting or renewal of such licenses, if such applicants shall comply with, and continue to be qualified to hold such license in accordance with, all applicable ordinances and statutes. Nothing herein shall be construed as granting to any person a vested right to continue to receive and renew such alcoholic beverage licenses if the City shall decrease the number of licenses to be issued within its jurisdiction; provided however, that neither the City nor the City's Local Liquor Control Commissioner shall take any action which shall discriminate

against any applicant from the District, and provided further that if the City shall determine to reduce the total number of alcoholic beverage licenses to be issued within its jurisdiction, such reduction shall not be discriminatory to the District, and shall be applicable to the City as a whole, and not solely to the District.

(b) After annexation of the Territory to the City, the City, without further public hearing, shall promptly adopt such amendments and modifications to the City ordinances regulating alcoholic beverages as may be necessary or appropriate to permit the City to carry out the obligations set forth in Subsection (a) above.

12. City Ordinances.

(a) All existing ordinances of the City not inconsistent with, or contrary to, this Agreement or the Plan Description, and in effect as of the date hereof, to the extent that such ordinances have not been excepted, waived or modified by this Agreement or the Plan Description, shall be applicable to the District. Any modification or amendment to such ordinances, or any newly enacted ordinances of the City, to the extent not inconsistent with, or contrary to, this Agreement or the Plan Description, shall be applicable to the

District; provided, that unless the developers of the District otherwise agree, only those modifications and amendments to the City Building, Plumbing, Housing and Electrical Codes which, (i) in the case of the City Building, Plumbing and Housing Codes, are made to conform to or adopt modifications or amendments to or new editions of the BOCA Basic Building Code, the BOCA Basic Plumbing Code or the BOCA Basic Housing Code adopted by the Building Officials and Code Administrators International, Inc., or any successor thereto, and (ii) in the case of the City Electrical Code, are made to conform to or adopt modifications or amendments to or new editions of the National Electrical Code adopted by the National Fire Protection Association, or any successor thereto, shall be applicable to the District. Any modification or amendment to any existing ordinance of the City, and any newly enacted ordinance of the City, relating to amounts of fees for licenses, permits, or services, not inconsistent with, or contrary to, this Agreement or the Plan Description, shall apply to the District, provided that no portion of the District shall be charged, or pay, a fee for any license, permit or service that is higher than the lowest such fee paid in any other part of the City for a similar license, permit or service.

(b) If the City at any time or from time to time adopts an amendment to or modification of its Building, Plumbing, Housing or Electrical Codes, which amendment or modification would not be applicable to the District pursuant to the provisions of Subsection (a) of this Subsection 12, and if the City Council shall have, by a two-thirds vote, made a specific determination that such amendment or modification should be applicable to the District because the changed building standards required by such amendment or modification would have an important, material and favorable affect upon the health and safety of the residents, owners or occupants of properties in the District or the fire fighters of the City, as compared to the standards applicable to the District without such amendment or modification, and shall have set forth in such determination the basis upon which it was made, the City shall give the developers of the District prompt notice of such determination and such amendment or modification shall be applicable to the District twenty (20) days after such notice is given unless, within such twenty-day period, the developers of either Region shall have notified the City that they are submitting the matter to arbitration as provided for hereinafter in this Subsection 12(b). Such developers of the District may, during such twenty-day period, submit the matter to arbitration in accordance with the rules then obtaining of the

American Arbitration Association and, in such event, the arbitrators shall be selected as follows: within ten (10) days after notice to the City that the matter is being submitted to arbitration, the City and such developers of the District shall each designate an arbitrator and a third arbitrator shall be selected within twenty (20) days thereafter by the two (2) arbitrators so designated. The issue to be decided in such arbitration shall be whether the changed building standards required by such modification or amendment would have an important, material and favorable affect upon the health and safety of the residents, owners or occupants of properties in the District or the fire fighters of the City, as compared to the standards applicable to the District without such amendment or modification. If the award in such arbitration shall decide such question in the affirmative, such amendment or modification shall thereafter be applicable to the District. If the award in such arbitration shall decide such question in the negative, such amendment or modification shall not be applicable to the District. If the matter shall have been submitted to arbitration in accordance with the provisions of this Subsection 12(b), such amendment or modification shall not be applicable to the District pending the determination of the

award in such arbitration; provided, that if the award in such arbitration shall not have been made within ninety (90) days after the matter shall have been submitted to arbitration, such amendment or modification shall become applicable to the District, at the end of such ninety-day period pending the determination of such award, unless it shall be determined by the arbitrator or arbitrators in the arbitration that the delay in making such award shall have been caused by the City's failure to proceed expeditiously in matters connected with the arbitration, in which event such ninety-day period shall be extended by such amount of time as shall be determined by such arbitrator or arbitrators.

(c) Notwithstanding any provision of this Subsection 12, any modification or amendment to the City Building, Plumbing, Housing or Electrical Codes made to conform such Code to minimum construction standards set forth in a county, state or federal ordinance or law and required by such county, state or federal ordinance or law to be applicable to the City or the District shall be applicable to the District.

13. Farms. The City shall without further public hearing amend Section 9-24 of the Code of Ordinances of the

City as applied to the Territory to read as follows:

"Farm animals, which shall include, but not be limited to, horses, cattle, swine and fowl, shall not be permitted in the City, except on property used as farms." Section 46-54 of the Code of Ordinances of the City shall be applicable only to those portions of the District which shall have become developed in accordance with the provisions of the Plan Description.

14. Licenses and Permits--Discretion of Mayor.

Wherever in the Code of Ordinances of the City the Mayor shall have been granted discretion to grant applications for licenses and permits, and no specific standards shall be established for the exercise of such discretion and the issuance of such licenses and permits, the discretion of the Mayor shall be exercised in a manner consistent with the current standards which the Mayor is now using in the exercise of such discretion for the granting of such licenses and permits, and in no event shall the Mayor discriminate against the granting of a license or permit for any use in the Territory.

15. Fences. Notwithstanding any provision in the Code of Ordinances of the City to the contrary, the developers of the District shall have the right to construct, erect, and maintain a chain link fence of a height not to exceed six (6) feet with barbed-wire at the top along both sides of the right-of-way of the Elgin, Joliet & Eastern

Railway Company, and barbed-wire fences on and within the boundaries of any property used for farming purposes.

16. Industrial Development and Pollution Control Revenue Bonds. After the annexation of the Territory to the City, the City agrees to give good faith consideration to the adoption of an enabling ordinance under its home rule powers as set forth in Article VII, Section 6 of the Constitution of the State of Illinois, enabling the City to issue industrial development and pollution control revenue bonds. If such an ordinance is adopted by the City, the City further agrees to give good faith consideration to requests from any of the developers of the District from time to time made in compliance with the provisions of such ordinance to effect the issuance of industrial development and pollution control revenue bonds with respect to the development of property located in the District.

VIII.

PUBLIC IMPROVEMENTS

1. Dedication of Certain Public Improvements.

The City shall, at the request of the developer of any part of the District and subject to the conditions set forth in Subsection 4 of this Section VIII, accept the dedication of any part or all of the following public improvements provided, constructed or installed by such developer in such part of the District:

(a) All water utility mains, pipes and related facilities which constitute a part of the general water distribution system of the City excluding service lines;

(b) Except for those sanitary sewers and related facilities which upon completion are accepted for dedication by and dedicated to the Sanitary District, all sewers and related facilities which constitute a part of the general sanitary sewer system of the City; and

(c) Except for those roads and highways and road and highway improvements which upon completion are accepted for dedication by and dedicated to the Township, State, County or other governmental authority other than the City, all roads and highways which constitute a part of the road and highway system for the District, including all associated properties, rights-of-way, road and highway lighting, traffic lights and controls, storm water drainage, curbs, gutters, sidewalks, landscaping and similar facilities;

provided, that as to any part of the District the development of which is subject to the requirements of the Subdivision Control Ordinance, as amended by the Plan Description, the foregoing provisions of this Subsection 1 shall be subject to said requirements to the extent applicable.

2. Storm Water Facilities.

(a) The City shall cooperate with the developers of the District in making arrangements for financing the cost of storm water retention and disposal facilities necessary or desirable for the development of the District. Such arrangements may include the organization of storm water drainage or other districts permitted by the State statutes, special assessment procedures or other means by which the cost of such facilities may be fairly apportioned to the properties which will benefit therefrom. The City shall, only at the request of the developers of each Region of the District, exercise its powers pursuant to Article VII, Section 6(1) of the Constitution of the State of Illinois to form a special service area for such Region, or part thereof, as designated by the developers of such Region, for one or more of the following purposes, as designated by the developers of such Region: (a) to construct such storm water retention and disposal facilities, (b) to operate, maintain, repair, renew or replace such facilities, (c) to do such other lawful acts as the developers may designate with respect to such storm water retention facilities, and (d) in all events to accept the dedication of such facilities as provided for in Subsection (b) next below. Nothing in this Subsection 2(a) shall be deemed to obligate the City to assume any financial

responsibility with respect to the cost of construction of storm water retention and disposal facilities necessary or desirable for the development of the District.

(b) The City shall, at the request of the developers of any Region of the District, accept the dedication of any part or all of the storm water retention and disposal facilities, including any land relating thereto, which are included in such Region.

(c) After annexation of the Territory to the City, the City shall require, prior to the annexation to the City of any property which is located in the Waubensee Creek or Indian Creek watersheds, as a condition to any such annexation, that storm water retention and disposal systems will be developed on such property, which systems shall have performance standards no lower than the performance standards provided for in Subsection V C. of the Plan Description.

3. Public Open Space, Park and Recreation Areas.

If the developers of any part of any Region of the District shall have reserved land for public open space, park and recreation areas, but shall be unable to enter into an agreement with respect to such land as contemplated in Subsection B.19.a. of the Plan Description, such developers may, at such developers' sole option, dedicate such land

to the City for public open space, park and recreational purposes, and in such event the City shall accept the dedication of such land, and shall assume the responsibility for the care, maintenance and improvement (in such manner as the City shall determine) of such land for public open space, park and recreational purposes.

4. Approval of Public Improvements. It shall be a condition to the City's obligation to accept dedication of any public improvements pursuant to this Section VIII that plans and specifications for such public improvements shall comply with all applicable City, County, State and Federal standards and regulations with respect thereto, except to the extent that standards or regulations have been modified by this Agreement or the Plan Description.

5. Maintenance of Dedicated Public Improvements. From and after the dedication of any public improvements to the City pursuant to this Section VIII, such public improvements shall be maintained, reconstructed, repaired, and replaced by the City, and all cost and expense of operation, maintenance, repair, reconstruction and replacement of such public improvements shall be the sole responsibility of the City.

6. Easement Grants to the City. It shall be a condition to the City's obligation to accept dedication of any public improvement pursuant to this Section VIII that the dedication of such improvement be accompanied by the

grant of appropriate easements to permit the City to carry out its responsibilities with respect to such improvement, except that such easements which provide access for the purpose of maintenance and repair of such improvement may contain a provision, in such form as the City shall approve, reserving to the developer the right to locate and relocate any such easement, or to provide alternative methods for the City to carry out its responsibilities with respect to the maintenance and repair of such improvement.

7. Municipal Service Easements. The developers of the District agree to grant easements to the City for the right of access into, over and from all private streets, private drives, parking areas and walks located in the District for the purpose of performing police and fire protection, garbage collection and other municipal services.

8. Easements. The City shall, upon the request of a developer of any development phase of the District, grant to such developer, to the Sanitary District, to any municipal corporation or public body which may provide sewerage service to any part of the District pursuant to Section VI hereof or to utility companies designated by such developer, such construction and maintenance utility easements under, over, across or through property owned or controlled by the City as are necessary or appropriate for the development of the District in accordance with the provisions of the Plan Description, this Agreement or any approved Preliminary or Final Plan for any development

phase of the District. The City further agrees that in the event a developer of any development phase of the District is unable to obtain utility easements over, under, across or through property not owned by or under the City's control which may be necessary or appropriate for the development of such development phase as aforesaid at a cost and on conditions acceptable to such developer, the City will use, to the full extent permitted by law, its statutory condemnation powers to secure such easements. All costs and expenses incurred by the City in the condemnation of such easements on behalf of a developer shall be reimbursed to the City by such developer.

9. General Easement Requirements. It shall be a condition to the granting of any easement required to be granted pursuant to Sections IV, V, VI and VIII of this Agreement that the grantee shall agree that in the event of any use of such easement for construction or maintenance of the facility for which such easement was granted (a) the grantee shall restore the property to the same condition as existed prior to such construction or maintenance, and (b) the grantee shall hold the grantor and his or its successors in interest harmless from any claims for personal injury or property damage which arise or result from the activities of the grantee in connection with such construction or maintenance.

10. Cooperation by the City and the Developers
of the District.

(a) With respect to applications, permits and agreements from or with public bodies which are necessary or appropriate to enable the developers of any development phase of the District and the City to carry out the provisions of the Plan Description and the provisions of this Agreement, the City shall, upon compliance by such developers with the City's reasonable requirements therefor, execute and issue such permits as may be required by the City, and, at the request of the developers of any development phase of the District, the City shall execute such applications and agreements which may be required by any public body and shall otherwise assist in the procurement of any such permits and agreements.

(b) The City and the developers of the District shall cooperate fully in seeking Federal, State or County financial and other aid and assistance required or useful for the construction or improvement of property and facilities in the District or for the provision of services to residents of the District, including, but not limited to, grants and assistance for public transportation, water and sewerage facilities, storm water disposal facilities and improvements to public open space, park and recreational areas.

(c) The City shall, upon the request of the developer of any development phase of the District, grant to such developer, to the Sanitary District, to any municipal corporation or public body which may provide sewerage service to any part of the District pursuant to Section VI hereof or to utility companies designated by such developer, such utility franchises as are necessary or appropriate for the development of such phase of the District in accordance with the provisions of the Plan Description and this Agreement.

IX.

PUBLIC BUILDINGS, FIRE PROTECTION DISTRICTS
AND CITY SERVICES

1. Region I Fire Station.

(a) Upon annexation of the Territory to the City, the City shall promptly complete plans and specifications (which shall be subject to the approval of the developers of Region I, which approval shall not be unreasonably withheld) for a fire station (hereinafter called the "Region I Fire Station") to be located in Region I on a site which shall be determined and valued in accordance with Subsection 4 of this Section IX. Such Fire Station shall be a three (3) bay station with accommodations for fifteen (15)

firemen per shift and shall be capable of housing the equipment described in Subsection 1(c) below.

(b) Upon approval of the plans and specifications for the Region I Fire Station, the developers of Region I, if requested by the City, shall, in accordance with the provisions of Subsection 4 of this Section IX, provide the site for and construct, or cause to be constructed, the Region I Fire Station (in accordance with said approved plans and specifications and on terms which shall be subject to the approval of the City, which approval shall not be unreasonably withheld) and, subject to the provisions of Subsection 1(d) below, shall pay, or cause to be paid, all costs and expenses for such construction.

(c) Subject to the provisions of Subsection 1(d) below, the developers of Region I shall, at the City's request, purchase, or cause to be purchased, required equipment for the Region I Fire Station (subject to the City's approval of such equipment and the prices and other terms of such purchases or contracts, which approval shall not be unreasonably withheld). Such required equipment shall include a pumper truck, a ladder truck, and an ambulance.

(d) The maximum amount of costs and expenses which the developers of Region I shall expend or

cause to be expended, for the construction of, and the purchase of equipment for, the Region I Fire Station, shall be the aggregate sum of \$500,000. Any amount required for the construction of, and the purchase of equipment for, the Region I Fire Station in excess of the aggregate sum of \$500,000 shall be paid by the City.

(e) Upon completion of construction of the Region I Fire Station and the purchase of equipment for such Fire Station pursuant to Subsections 1(b) and 1(c) above, such Fire Station and such equipment and the site on which such Fire Station is located shall be transferred and conveyed to the City by the developers of Region I, if such developers of Region I shall have constructed said Fire Station and purchased such equipment, or by such other entity which such developers shall have caused to have constructed such Fire Station and purchased such equipment, as the case may be, at a purchase price which shall be the sum of:

(i) all costs and expenses incurred (with the approval of the City), other than those sums paid by the City, in connection with the construction and equipping of such Fire Station;

(ii) interest, at the rate of one percent (1%) over the prime rate of interest from time to time charged to large corporate borrowers by The First National Bank of Chicago, on all of the costs and expenses included in clause (i) of this Subsection 1(e) from the date when such costs shall have been incurred to the date of such transfer and conveyance; and

(iii) the value of the site provided for such Fire Station determined in accordance with Subsection 4 of this Section IX.

(f) The transfer and conveyance of the Region I Fire Station, its site and its equipment shall be made pursuant to an installment contract between the developers of Region I (or their authorized agent), if such developers of Region I shall have constructed said Fire Station and purchased such equipment, or by such other entity which such developers shall have caused to have constructed such Fire Station and purchased such equipment, as the case may be, and the City, executed in accordance with the home rule powers of the City, as set forth in Section 6 of Article VII of the Constitution of the State of Illinois, providing for the payment of the purchase price in ten (10) equal annual installments with interest equal to one percent (1%) above the prime rate from time

to time charged to large corporate borrowers by The First National Bank of Chicago on the amount from time to time outstanding on said contract. Such installment contract shall provide (i) that the City shall have the right at any time and from time to time to prepay, with accrued interest but without penalty, any part of the purchase price then outstanding on such contract, and (ii) that at any time at the City's request such contract shall be assigned to any party designated by the City, provided the total amount of the purchase price outstanding at the time of such assignment, with accrued interest thereon, shall, at the time of such assignment, be paid to the assignor or its designee.

(g) If the City does not request the developers of Region I to construct, or cause the construction of, the Region I Fire Station and/or to purchase, or cause the purchase of, some or all of the required equipment for such Fire Station in accordance with Subsections 1(a) and 1(b) above, the City shall construct and fully equip such Fire Station as promptly as practicable after annexation of the Territory to the City.

2. Temporary Fire Protection Facility. Upon annexation of the Territory to the City, the developers of Region I shall lease or otherwise make available to the

City, for use by the City in providing temporary fire station facilities for the District, the two (2) buildings, and the land immediately adjacent thereto, located at the southwest corner of Illinois Route 59 and Illinois Route 65, which buildings were formerly used for the Chobar restaurant and service station and for a small sales office. The City shall have the right to use such buildings and such land to provide and maintain fire protection equipment and facilities for the District for the period prior to completion of the Region I Fire Station. If and as requested by the City, the developers of Region I shall improve and remodel such buildings and land or cause such buildings and land to be improved and remodeled as may be required for their intended use by the City and in accordance with plans and specifications which shall be subject to the approval of the City and developers of Region I; provided, that the maximum amount of cost and expense which the developers of Region I shall be obligated to incur for such improvement and remodeling shall be \$50,000 and that all costs and expenses for such improvement and remodeling which are in excess of \$50,000 shall be paid by the City. No rent or other charges shall be payable by the City for the use of such buildings and land, but the City shall be responsible for the upkeep and maintenance of such buildings and such immediately adjacent land during the period of the City's use thereof and shall indemnify the developers of Region I and hold them harmless from and against any loss or liability resulting from the City's use of such buildings and land pursuant

to this Subsection 2. The City shall cause such developers to be named as insureds on any City insurance policies which could reasonably cover the risk of any such loss or liability. Upon completion of the Region I Fire Station such buildings and land shall be surrendered to the developers of Region I without any restoration obligation on the part of the City. To the extent that the full \$50,000 which the developers of Region I are obliged to incur for the improvement and remodeling provided for in this Subsection 2 is not expended for such improvement and remodeling, the developers of Region I shall, at the request of the City, purchase, at a total cost not to exceed the amount of such unexpended portion of such \$50,000, equipment for use by the City in connection with the temporary fire station facilities. If, pursuant to Subsection 1 of this Section IX, the City shall request the developers of Region I to construct or cause to be constructed the Region I Fire Station, any equipment purchased pursuant to the next preceding sentence which is usable in connection with the Region I Fire Station shall be deemed to be equipment purchased, at the purchase price provided for in the last sentence of this Subsection 2, for the Region I Fire Station and subject to all of the provisions of said Subsection 1. If such construction request shall not have been made by the City, upon completion of construction of the Region I Fire Station, the City shall purchase, at the purchase price provided for in the last sentence of this Subsection 2, all such usable equipment theretofore purchased by such developers. The purchase price for each item of such equipment usable in the Region I Fire Station, for the

purpose of its inclusion as equipment purchased for the Region I Fire Station, shall be its original cost less two percent (2%) per month for each full or partial month which expires between the date when the use of such item at the temporary fire protection facility commences and the date when construction of the Region I Fire Station is completed.

3. Additional Fire Stations in the District.

(a) In addition to the City's obligations with respect to the Region I Fire Station, the City shall from time to time construct and fully equip sufficient additional fire stations (hereinafter called "additional fire stations") in number, size and manner which at least shall meet the minimum standards required to provide the same level of fire protection for the occupants and properties of the District, when and as the development of the District shall require, as shall then be provided in other areas of the City.

(b) Subject to the City's having met and performed each and both of the conditions precedent set forth below in clauses (i) and (ii) of this Subsection 3(b), from time to time when the construction and equipping of an additional fire station in the District is required pursuant to the provisions of Subsection (a) of this Subsection

2, the developers of the Region in which such fire station is to be located shall, at the City's request, construct, or cause to be constructed, any such fire station, purchase, or cause to be purchased, equipment for such fire station, and transfer and convey or cause to be transferred and conveyed to the City such fire station and equipment and the site on which such fire station is located, in the same manner and on the same terms and conditions (including the maximum financial obligation per fire station) which are set forth as obligations of the developers of Region I and the City with respect to the Region I Fire Station in Subsections (b), (c), (d), (e) and (f) of Subsection 1 of this Section IX.

(i) It shall be a condition precedent to the obligations of such developers to perform the acts, or cause to be performed the acts, or to incur or cause to be incurred the costs and expenses, pursuant to the above provisions of this Subsection 3(b), that the City shall (prior to the City's making the request of the developers provided for above in this Subsection 3(b)) use its best efforts (y) itself to construct or contract for the construction of, or cause others than the developers to construct or contract for the construction of, each of such fire

stations and to purchase or to cause others than the developers to purchase said equipment for each of said fire stations, and (z) itself to finance, or cause others than the developers to finance, the costs and expenses of such construction, of such equipping and of the site on which such fire station is to be located, in such manner and upon such terms (as may then be legally available to the City) so that the interest paid with respect to such financing will be exempt, in whole or in part, from Federal income taxation.

(ii) It shall be an additional condition precedent to the obligations of such developers to perform the acts, or cause to be performed the acts, or to incur or cause to be incurred the costs and expenses, pursuant to the above provisions of this Subsection 3(b), that the said request of the City to the developers provided for above in this Subsection 3(b) shall be accompanied with an opinion of counsel in form and substance, and from counsel, satisfactory to such developers, to the effect that the obligations of the City to pay the purchase price for any such fire station, equipment and site in the manner provided for in Subsection (f) of Subsection 1 of